

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

June 30, 2021 and December 31, 2020

Assets	June 30, 2021	December 31, 2020
Cash and cash equivalents	\$ 3,124,286	3,788,504
Investments	520,678	463,874
Restricted deposits and funded reserves	12,831,710	12,894,110
Accounts receivable, net	155,246	140,492
Other assets	1,189,464	1,087,131
Property and equipment (net of accumulated depreciation \$59,662,523 and \$56,882,066, respectively)	140,136,076	138,952,413
Total assets	<u>\$ 157,957,459</u>	<u>157,326,523</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

June 30, 2021 and December 31, 2020

Liabilities and Net Assets	June 30, 2021	December 31, 2020
Accounts payable	\$ 3,684,157	3,258,647
Accrued expenses	975,318	1,308,479
Other liabilities	2,844,319	2,722,964
Resident deposits	812,363	803,676
Due to Presbyterian Senior Living	1,670,832	302,940
Long-term debt/note to Presbyterian Senior Living	48,080,432	46,284,097
Long-term debt	43,634,169	43,924,732
Total liabilities	<u>101,701,590</u>	<u>98,605,534</u>
Net assets:		
Without donor restriction (including tax credit equity of \$-169,129 and \$3,270,210, respectively)	56,248,985	58,714,207
With donor restriction	6,884	6,782
Total net assets	<u>56,255,869</u>	<u>58,720,989</u>
Total liabilities and net assets	<u>\$ 157,957,459</u>	<u>157,326,523</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Operations and Change in Net Assets

Quarters ended June 30, 2021 and year ended December 31, 2020

	<u>June 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
Revenues and other support		
Resident services		
Resident services	\$ 5,905,051	11,468,847
Net rental income and developer's fees	74,509	167,610
Total resident services revenue	5,979,560	11,636,457
Contributions, grants, gifts and bequests	—	46,482
Net assets released from restrictions	4,596	—
Total revenues and other support	<u>5,984,156</u>	<u>11,682,939</u>
Costs of services provided		
Social services	304,509	600,148
Building operations and maintenance	2,987,647	5,673,958
Housekeeping	12,067	25,561
General and administrative	1,539,620	2,939,854
Employee benefits	126,126	239,288
Interest	870,486	1,506,813
Depreciation	2,463,779	4,758,433
Amortization	43,224	86,444
Total cost of services provided	<u>8,347,459</u>	<u>15,830,499</u>
Unusual non-recurring expenses - Covid-19	—	34,530
Deficit of revenues and other support over expenses	(2,363,303)	(4,182,089)
Other income		
Investment income, net of investment expense	10,408	84,267
Unrealized gain on investment	56,803	71,847
Total other income	<u>67,211</u>	<u>156,114</u>
Deficit of revenues, gains and other support over expenses and losses	(2,296,092)	(4,025,975)
Net Assets without donor restrictions:		
Deficit of revenues, gains and other support over expenses and losses	(2,296,092)	(4,025,975)
Equity (paid to) received from tax credit limited partner	(169,129)	3,270,210
Change in net assets without donor restrictions	<u>(2,465,220)</u>	<u>(755,766)</u>
Net assets with donor restriction:		
Contributions, gifts and bequests	4,696	—
Net assets released from restrictions	(4,596)	—
Change in net assets with donor restriction	<u>100</u>	<u>—</u>
Change in net assets	(2,465,120)	(755,766)
Net assets, beginning of year	<u>58,720,989</u>	<u>59,476,755</u>
Net assets, end of year	<u>\$ 56,255,869</u>	<u>58,720,989</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Combined Statement of Partners' Equity

Quarters ended June 30, 2021 and year ended December 31, 2020

	<u>General Partner</u>	<u>Investor Limited Partner</u>	<u>Special Limited Partner</u>	<u>Total</u>
Partners' equity, December 31, 2020	\$ 15,329,474	43,070,203	321,309	58,720,987
Contributions	(7,862)	(161,266)	-	(169,129)
Net gain (loss)	<u>401,197</u>	<u>(2,674,482)</u>	<u>(22,704)</u>	<u>(2,295,989)</u>
Partners' equity, December 31, 2021	15,722,808	40,234,455	298,606	56,255,869

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statements of Cash Flows

Quarters ended June 30, 2021 and year ended December 31, 2020

	<u>June 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ (2,465,120)	(755,766)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,463,779	4,758,433
Provision for bad debt	4,559	55,971
Proceeds from entrance fees and deposits	8,687	58,667
Unrealized gain on investments	(56,803)	(71,847)
Amortization of deferred financing costs	5,549	11,098
Change in assets and liabilities:		
Accounts receivable	(19,313)	(68,587)
Other assets	(102,333)	(7,791)
Accounts payable	425,510	(414,993)
Other liabilities	121,355	(13,053)
Accrued expenses	(333,161)	603,435
Net cash provided by operating activities	<u>52,709</u>	<u>4,155,567</u>
Cash flows from investing activities:		
Acquisition of property and equipment, net of disposals	(3,647,443)	(13,421,772)
Net proceeds from sale of (purchase of) investments	<u>62,400</u>	<u>(724,478)</u>
Net cash used in investing activities	<u>(3,585,042)</u>	<u>(14,146,250)</u>
Cash flows from financing activities:		
Principal payments on and redemptions of long-term debt	(850,872)	(773,695)
Proceeds from issuance of long-term debt	2,351,095	12,328,997
Change in due from/to affiliates	<u>1,367,893</u>	<u>(323,809)</u>
Net cash provided by financing activities	<u>2,868,116</u>	<u>11,231,494</u>
Net (decrease) increase in cash and cash equivalents	(664,217)	1,240,811
Cash and cash equivalents, beginning of year	<u>3,788,504</u>	<u>2,547,693</u>
Cash and cash equivalents, end of year	<u>\$ 3,124,286</u>	<u>3,788,504</u>